

BILL NO. G-08-01

ORDINANCE NO. \_\_\_\_\_

ORDINANCE AUTHORIZING THE CITY OF NEW ALBANY TO  
ISSUE ITS "ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2008 (OHIO  
VALLEY DOOR CORPORATION, INC. PROJECT)"  
AND APPROVING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the New Albany Economic Development Commission has rendered its Project Report for the Ohio Valley Door Corporation, Inc. project regarding the financing of economic development facilities for Ohio Valley Door Corporation, Inc.; and

WHEREAS, the New Albany Economic Development Commission conducted a public hearing at 6:00 p.m. on February 4, 2008, and thereafter adopted a resolution regarding the Ohio Valley Door Corporation, Inc. project (the "Resolution") which Resolution has been transmitted hereto, finding that the financing of such economic development facilities of Ohio Valley Door Corporation, Inc. complies with the purposes and provisions of I.C. 36-7-11.9 and 12 and that such financing will be of benefit to the health and welfare of the City of New Albany and its citizens; and

WHEREAS, the New Albany Economic Development Commission has heretofore approved and recommended the adoption of this form of Ordinance by this Common Council, has considered the issue of adverse competitive effect and has approved the form of and has transmitted for approval by the Common Council the Loan Agreement (the "Loan Agreement") now, therefore

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF NEW ALBANY, INDIANA THAT:

Section 1. It is hereby found that the financing of the economic development facilities referred to in the Loan Agreement approved by the New Albany Economic Development

Commission and presented to this Common Council, the issuance and sale of the City of New Albany, Indiana Economic Development Revenue Bonds, Series 2008 (Ohio Valley Door Corporation, Inc. Project) (the "Bonds"), to Chase Bank, N.A. the use of the proceeds of the Bonds by Ohio Valley Door Corporation, Inc. (the "Borrower") for the expansion, improvement and equipping of such facilities, the payment of the Bonds by Borrower under the Loan Agreement, and the securing of said Bonds under the Loan Agreement complies with the purposes and provisions of I.C. 36-7-11.9 and 12, and will be of benefit to the health and welfare of the City of New Albany and its citizens.

Section 2. The proceeds of the Bonds will be used for the financing of the expansion and improvement of an existing approximately 48,000 square foot manufacturing facility of the Borrower located at 2143 Willow Street, New Albany, Indiana, the acquisition of new equipment to be installed therein and the installation of a new steel roof over the entire facility, all to be used in the production of architectural wood veneered doors (the "Project").

Section 3. At the public hearing held before the New Albany Economic Development Commission, the Commission considered whether the Project would have an adverse competitive effect on any similar facilities located in or near New Albany, and subsequently found, based on special findings of fact set forth in the Resolution transmitted hereto, that the Project would not have an adverse competitive effect. This Common Council hereby confirms the findings set forth in the Commission's Resolution, and concludes that the Project will not have an adverse competitive effect on any other similar facilities in or near the City of New Albany, and the facilities will be of benefit to the health and welfare of the citizens of the City of New Albany.

Section 4. The substantially final form of the Loan Agreement approved by the New Albany Economic Development Commission is hereby approved (herein referred to as the "Financing Agreement" referred to in I.C. 36-7-11.9 and 12), and the Financing Agreement shall be incorporated herein by reference and shall be inserted in the minutes of the Common Council and kept on file by the City Clerk. In accordance with the provisions of I.C. 36-1-5-4, two (2) copies of the Financing Agreement are on file in the office of the City Clerk for public inspection.

Section 5. The City of New Albany shall issue its Bonds in the total principal amount not to exceed \$2,000,000 and maturing no later than February 1, 2018. Said Bonds are to be issued for the purpose of procuring funds to pay the costs of expansion, improvement and equipping of the Project, as more particularly set out in the Financing Agreement, incorporated herein by reference, which Bonds will be payable as to principal, premium, if any, and interest from the payments made by the Borrower under the Loan Agreement. The Bonds shall be issued in fully registered form in denominations of \$100,000 or \$5,000 integral multiples in excess thereof or as otherwise provided in the Loan Agreement, and shall be redeemable as provided in the Loan Agreement. Payments of principal and interest are payable in lawful money of the United States of America by check or draft mailed or delivered to the registered owners as provided in the Loan Agreement. The Bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City of New Albany nor are the Bonds payable in any manner from revenues raised by taxation.

Section 6. The Mayor and City Clerk are authorized and directed to approve the sale of the Bonds to Chase Bank, N.A., as original purchaser (the "Purchaser") at the price of 100% of the principal amount thereof. The Bonds shall bear interest at the rates per annum established

pursuant to the Loan Agreement, provided that the interest rate on the Bonds shall not exceed the lesser of 10% or the maximum rate permitted by law.

Section 7. The Mayor and City Clerk are authorized and directed to execute, attest, affix or imprint by any means the City seal to the Financing Agreement approved herein on behalf of the City and any other document or certificate which may be necessary or desirable prior to, on or after the date hereof to consummate or facilitate the transaction, including the Bonds authorized herein. The Mayor and City Clerk are hereby expressly authorized to approve any modifications or additions to the Financing Agreement which take place after the date of this Ordinance with the review and advice of counsel to the City; it being the express understanding of this Common Council that said Financing Agreement is in substantially final form as of the date of this Ordinance. The approval of said modifications or additions shall be conclusively evidenced by the execution and attestation thereof and the affixing of the seal thereto or the imprinting of the seal thereon; provided, however, that no such modification or addition shall change the maximum principal amount of, interest rate on or term of the Bonds as approved by the Common Council by this Ordinance without further consideration by the Common Council. The signatures of the Mayor and City Clerk on the Bonds may be either manual or facsimile signatures. The City Clerk is authorized to arrange for delivery of such Bonds to the Purchaser and the Purchaser will make such payment for the Bonds available to Borrower as provided in the Loan Agreement. The Bonds shall be originally dated the date of issuance and delivery thereof.

Section 8. The provisions of this Ordinance and the Loan Agreement securing the Bonds shall constitute a contract binding between the City of New Albany, the Purchaser and the Borrower, and after the issuance of said Bonds, this Ordinance shall not be repealed or amended

in any respect which would adversely affect the rights of such holders so long as said Bonds or the interest thereon remains unpaid.

Section 9. This Ordinance shall be in full force and effect from and after its passage.